6/18/80 C2350-1 U

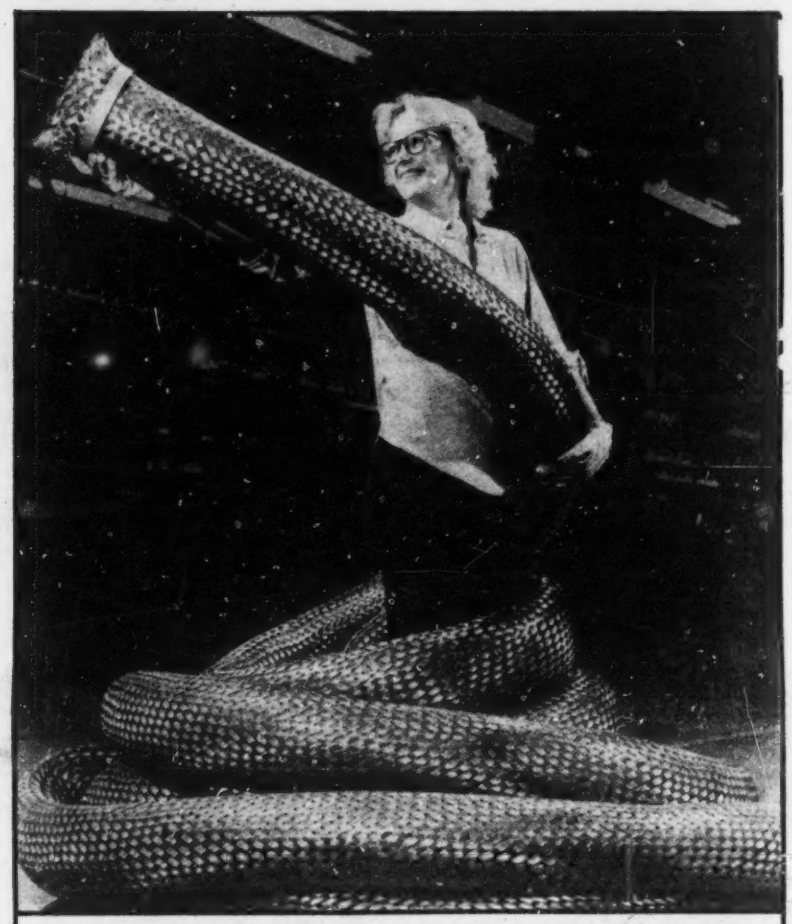
Coal Industry News

COAL'S NATIONAL NEWSPAPER

VOO3461810627000VA T
CONGRESSIONAL INFO SVC
PS JEANNE LONG 9999
7101 WISCONSIN AVE
WASHINGTON DC 20014

Bi-weekly $2.00 | June 16, 1980 | Volume 4, Number 11

Study Predicts 1.2-Billion Ton Coal Output By '85



THIS SNAKE-LIKE OUTER COVERING of a flexible metal hose (minus a flute) is rounded up by Sheryl Fitch at UOP Inc.'s Flexonics Division plant in Bartlett, Ill. The flexing braid, sheathing a bellows type carrier for liquids and gases, not only protects the bellows convolution but increases the pressure-carrying capacity by restricting elongation. The chemical and energy industries are major users of these hose assemblies because of their pressure, temperature and corrosion resistance. They're made of stainless steel, bronze and other high grade alloys.

Energy Economist Forecast Sees Strong Future Demand

By MIKE MEYER

MORGANTOWN, W. VA.

Free market demand will force domestic coal production to expand rapidly, shoving aside problems of environmental regulations, labor supply or capital availability, according to a prominent energy economist.

Oil supply and pricing will push the United States into producing about 1.2-billion tons of coal a year by 1985, West Virginia University economist Dr. William H. Miernyk believes.

Evidence to support that thesis can be seen in the fact that major oil companies, well in tune with energy trends, have invested more and more heavily

A CINews Exclusive

in coal during recent years, Miernyk notes in a report released by the WVU Regional Research Institute.

The coal industry does face problems "but none will be insuperable," Miernyk states.

"Environmental regulations, labor problems and capital availability will be issues that policy makers, management, and labor leaders will have to deal with," he concedes.

Well-tested laws of supply and demand, and pricing will prevail, however, and "there is nothing on the horizon that could be regarded as an overriding obstacle to an annual production rate of about 1.2-billion tons by 1985," Miernyk adds.

The current slump in coal demand is a temporary phenomenon, linked to the current glut in oil supply, according to Miernyk's report.

But that glut in oil supply also is temporary and "by the mid-1980s at the latest" the glut will end and "there will be an upward pressure on world oil prices," Miernyk says.

That view is shared by many energy specialists, including Daniel Yergin, the report notes.

Developments with oil will stimulate demand for coal in the United States, both for direct con-

(Continued on Page 16)

Western Mining

The next issue of CINews deals in depth with the brightest spot in the world coal — Western mining. The entire staff has been busy for several months looking into this scene. The June 30 issue will tell you just what is going on in the West and who's doing what and where. It is timed for the 76th regular meeting of the prestigious Rocky Mountain Coal Mining Institute at Vail, Col., but will be must reading for everybody who is interested in COAL NOW.

NW Reports Record 2.97-Million Tons of Coal Dumped in May

ROANOKE, VA.

Norfolk and Western Railway dumped an all-time record 2.97-million tons of coal over its Pier 6 facility in Norfolk, Virginia, during the month of May, surpassing the previous record of 2.75-million tons set in June, 1972.

For the first five months of 1980, NW has dumped 12.4-million tons at Pier 6, the best ever for the period and 26 percent ahead of last year's level.

Despite the record coal dumping performance, the railroad's dumping facilities were operating at less than maximum capacity during May, an NW spokesman said.

"Coal dumpings could have been even higher if all the right kinds of coal had been on hand at the port to load some of the ships there awaiting loading. However, the railroad has no control over the types of coal that its customers ship to Norfolk for loading, and therefore cannot by itself take the measures necessary to increase the rate of dumpings," he said.

"We still have idle dumping capacity at Norfolk," the spokesman said. "During May our Pier 6, the

(Continued on Page 20)

INSIDE THIS ISSUE. . .

WILLIAM J. DE LANCEY SEES steel imports imposing "an intolerable burden" on domestic industry. (Page 8)

STREETERAMET UNVEILS new low-cost, efficient rail car weighing system. (Page 8)

ASHLAND OIL'S SYNFUELS PLANT starts test operations at Catlettsburg, Ky. (Page 5)

CONTINUOUS MINERS run into problems with hard South African coal. (Page 5)

AMAX's DOUG MATYKA tells of the dangers of "No Comment" in dealing with the media. (Page 12)

BEST COPY AVAILABLE

FACTS & FIGURES — DOMESTIC

PRODUCTION	Recent	Previous	Yr.Ago
May 24, 1980			
Bituminous	17,070	17,040	15,911
Anthracite	108	93	115
RRcarloadings, Bitum	116,446	116,255	114,804
RRcarloadings, Anthra	656	564	691

Source: U.S. Dept. of Energy, Energy Information Administration - Weekly Coal Report. Association of American Railroads, Car Service Division - Statement CS-54A.

By States (Bituminous and Lignite)	5/3/80	4/26/80	5/5/79
Eastern			
Alabama	530	548	467
Georgia	2	2	2
Illinois	1301	1336	1160
Indiana	563	523	527
Kentucky:			
Eastern	2243	2272	1913
Western	980	995	873
Total, Ky.	3223	3267	2786
Maryland	68	64	60
Ohio	997	1016	889
Pennsylvania	2049	2031	1672
Tennessee	275	286	226
Virginia	1096	1018	813
West Virginia	2206	2235	2244
Total, Eastern	12,310	12,326	10,846
Western			
Alaska	15	15	14
Arizona	220	226	216
Arkansas	14	13	12
Colorado	344	379	346
Iowa	11	11	14
Kansas	11	10	13
Missouri	118	138	105
Montana	709	897	633
New Mexico	287	296	256
North Dakota	296	287	271
Oklahoma	114	104	120
Texas	530	534	527
Utah	131	139	181
Washington	100	101	105
Wyoming	1680	1739	1401
Total, Western	4580	4889	4214
Total, U.S.	16,890	17,215	15,060

In short tons (000).
Source: U.S. Dept. of Energy, Energy Information Admin.: Weekly Coal Report

Coal Labor	Mar.80	Feb.80	Mar.79
All employees			
Coal mining	258.1	256.8	256.6
Bitum & lignite	255.1	253.7	253.7
Production employees			
Coal mining	214.9	214.1	214.6
Bitum & lignite	212.2	211.4	212.0
Hours, weekly average			
Coal mining	40.2	41.3	41.3
Bitum & lignite	40.2	41.3	41.3
Earnings, hourly average			
Coal mining	10.44	10.28	9.94
Bitum & lignite	10.46	10.30	9.97
Earnings, weekly average			
Coal mining	419.69	424.56	410.52
Bitum & lignite	420.49	425.39	411.76

Note: 1979 data is preliminary
Source: U.S. Dept. of Labor, Bureau of Labor Statistics - Employment and Earnings.

TRANSPORTATION: RAILROAD	5/24/80	5/17/80	5/26/79
Eastern district			
Bessemer and Lake Erie	1412	1820	2079
Baltimore and Ohio	6122	6277	7111
Chesapeake and Ohio	15548	16607	12861
Consolidated Rail Corp.	9785	9219	9626
Illinois Terminal	—	—	—
Norfolk and Western	20225	18422	18083
Pittsburgh & Lake Erie	294	365	398
Western Maryland	2250	1077	2021
Other, eastern district	2	7	21
Total, eastern district	55618	53794	52200
Southern district			
Clinchfield Railroad	2226	1891	1600
Illinois Central Gulf	3709	4121	4346
Louisville Nashville	12977	14059	14242
Southern Railway	7907	7807	7454
Other, southern district	—	1	1
Total, Southern dist.	26,819	27,879	27,643
Western district			
Atchison, Topeka & Santa Fe	1547	1523	1416
Burlington Northern	17863	18534	17485
Chicago & North Western	643	663	755
Denver & Rio Grande Wstrn	3421	3285	3710
Kansas City Southern	102	127	189
Chicago, Milwaukee, St. Paul & Pac.	1166	1033	1129
Missouri-Kansas-Texas	173	113	469
Missouri Pacific	4506	4634	4593
Chicago, Rock Is. & Pacific	—	—	318
St. Louis-San Francisco	825	876	898
Soo Line	77	86	72
Union Pacific	3629	3672	3927
Other, western district	37	41	—
Total, western district	34009	34587	34961
Total, all districts	116446	116260	114804

Inland Rivers	5/31/80	5/24/80	6/2/79
Monongahela River, Lock 3	336,574	282,762	334,490
Allegheny River, Lock 2	26,100	36,500	24,900
Ohio River, Mntgmry Lock	271,350	231,300	182,750

In short tons through locks
Source: U.S. Army, Corps of Engineers, Pittsburgh District

CONSUMPTION:	3/80	2/80	3/79
Electric Power Utilities	46,601	47,440	41,717
Industrial:			
Coke Plants	6,405	5,991	6,761
Other Industrial	(A)	5,975	5,569

Note: (A) Data available on quarterly basis.
Data given in short tons.
Source: U.S. Dept. of Energy, Energy Information Administration - Weekly Coal Report

COAL USER			
Stocks of Coal:	3/80	2/80	3/79
Electric Power Utilities	154,138	153,669	116,373
Industrial:			
Coke Plants	9,263	9,196	7,352
Other Industrial	(A)	(A)	7,774

Note: (A) Data Available on quarterly basis.
Data given in short tons.
Source: U.S. Dept of Energy, Energy Information Administration - Weekly Coal Report.

Coal User Production			
Major direct users:	Recent	Previous	Yr.Ago
Electric Utilities (Mil. Kwh) May 31	40,863	40,596	40,451
Steel (short tons-000) May 31	1,863	2,000	2,919
Cement, Portland, U.S. shipments March	4,591,984	3,841,804	5,632,153
Other significant output:			
Aluminum	421,105	435,260	401,786
Motor vehicle production, Total (week May 31)	147,681	136,429	238,254
Machine tools Apr. '80 Net new orders	414,950	528,650	461,650
Shipments	344,000	460,000	305,000

Sources: Edison Electric Institute; American Iron & Steel Institute; U.S. Dept. of Interior, Bureau of Mines, Div. of Nonmetallic Minerals; Aluminum Association; Motor Vehicle Manufacturers Assoc.; National Machine Tool Builders Assoc.

Price Indexes	4/80	3/80	4/79
Coal	463.3	460.7	447.5
Anthracite	451.8	435.1	407.3
Chestnut, Pa. mine	403.9	389.4	364.6
Buckwheat No. 1, Pa. mine	N.A.	495.8	464.0
Bituminous coal	462.8	460.6	447.8
Domestic sizes	580.7	577.6	577.4
Retail dealers	274.7	N.A.	273.2
Industrial sizes, spot	393.6	390.9	391.7
Steam electric util.	121.2	118.8	114.9
Manufacturing	250.6	149.3	250.4
Metallurgical, high volatile	694.7	696.9	710.0
Metallurgical, Low & medium volatile	698.5	705.0	706.0
Industrial sizes, contract	131.3	130.8	126.0
Steam, electric util.	156.6	155.8	143.9
Manufacturing	120.0	118.2	116.8
Metallurgical, high volatile	99.4	99.4	104.1
Coke (Foundry by-product)	430.6	430.6	430.1
Birmingham, Ala.	439.6	439.6	N.A.
Milwaukee, Wis.	420.4	420.4	420.4
Detroit, Mich.	423.1	423.1	427.4
Indianapolis, Ind.	437.7	437.7	437.7
St. Louis, Missouri	286.8	286.8	277.8
Philadelphia, Penna.	285.8	285.8	285.8

N.A.—Not Available

Abbreviations

DOE — Dept. of Energy
EIA — Energy Information Admin.
AAR — Assn. of American Railroads
EEI — Edison Electric Institute
MVMA — Motor Vehicle Mfrs. Ass.
COE — Corps of Engineers
Bit. — Bituminous
Lig. — Lignite
Ant. — Anthracite

FACTS & FIGURES — EXPORTS

	Physical Value			Dollar Value		Prices—Avg. Value per Short Ton			
	Apr. 1980	Mar. 1980	Apr. 1979	Apr. 1980	Mar. 1980	Apr. 1979	Apr. 1980	Mar. 1980	Apr. 1979
Bituminous coal, low volatile blends to make coke									
Japan	1,966,246	1,633,165	1,225,937	114,573,702	95,443,272	71,620,418	58.27	58.44	58.42
France	416,689	587,811	343,510	23,015,180	25,808,224	18,669,037	55.23	43.91	54.35
Italy	574,983	538,041	420,358	30,324,268	28,714,195	21,774,467	52.74	53.37	51.80
Netherlands	287,378	265,627	106,333	13,669,482	12,522,637	5,986,670	47.57	50.91	56.30
Spain	220,421	59,362	45,342	11,183,723	2,999,235	2,431,464	50.73	50.52	53.62
Belgium	166,035	275,105	264,432	7,723,749	15,824,259	12,139,791	46.52	57.52	45.91
Germany, F.R. (West)	199,026	—	40,540	10,296,323	—	2,039,199	51.73	—	50.30
Canada	844,482	301,784	880,147	48,398,365	17,444,172	50,501,387	57.31	57.80	57.38
Total, above	4,675,260	3,660,895	3,326,599	259,184,792	199,755,994	185,162,373	55.44	54.56	55.66
Total, other nations	861,804	859,588	728,045	43,068,140	42,401,519	37,886,167	49.97	49.33	52.04
Total, all nations	5,537,064	4,520,483	4,054,644	302,252,932	242,157,513	223,048,540	54.59	53.57	55.01
Bituminous coal, other									
France	250,301	326,657	—	8,246,049	10,621,854	—	32.94	32.52	—
Netherlands	144,997	128,611	—	5,910,244	4,751,779	—	40.76	36.95	—
Spain	127,794	50,921	—	5,082,271	2,509,599	—	39.77	49.28	—
Canada	1,063,266	20,687	1,166,427	44,044,099	883,481	45,489,975	41.42	42.71	39.00
Total, above	1,586,358	526,876	1,166,427	63,282,663	18,766,713	45,489,975	39.89	35.62	39.00
Total, other nations	290,843	517,662	6,133	12,303,647	20,881,797	323,694	42.30	40.34	52.77
Total, all nations	1,877,201	1,044,538	1,172,560	75,586,310	39,648,510	45,813,669	40.27	37.96	39.07
Lignite									
Total, all nations	3,592	924	3,216	554,214	148,961	552,026	154.29	161.21	171.65
Coal coke for use as fuel									
Total, all nations	244,534	180,879	92,377	15,428,860	12,084,636	5,524,098	63.08	66.81	59.83
Petroleum coke, except calcined									
Total, all nations	420,304	607,221	799,611	15,719,933	23,368,294	23,296,502	37.40	38.48	29.13
Compositions used for fuel									
Total, all nations	25,559	6,359	2,671	793,184	281,859	362,963	31.03	44.32	135.89

	Physical Value			Dollar Value		Prices—Avg. Value per Short Ton			
	Apr. 1980	Mar. 1980	Apr. 1979	Apr. 1980	Mar. 1980	Apr. 1979	Apr. 1980	Mar. 1980	Apr. 1979
Anthracite									
Japan	12,115	—	—	867,741	—	—	71.63	—	—
Korea, Rep. (South)	28,154	—	—	835,222	—	—	29.67	—	—
France	34,316	23,019	—	1,681,479	1,550,869	—	49.00	67.37	—
Canada	63,620	6,171	38,318	4,010,206	399,523	2,382,843	63.03	63.12	62.19
Total, above	138,205	29,190	38,318	7,394,648	1,940,392	2,382,843	53.50	65.47	62.19
Total, other nations	6,442	38,107	2,484	1,003,829	2,104,133	246,506	155.83	55.22	99.24
Total, all nations	144,647	67,297	40,802	8,398,477	4,044,525	2,629,349	58.06	60.10	64.44
COAL IMPORTS									
Bituminous coal									
South Africa	59,973	61,015	67,730	1,284,775	1,306,339	1,450,094	21.42	21.41	21.41
Other nations	48	28,539	48	4,002	935,665	1,635	83.38	32.79	34.06
Total, all nations	60,021	89,554	67,778	1,288,777	2,242,004	1,451,729	21.47	25.04	21.42
Coke, suitable for fuel									
Japan	23,290	42,245	—	2,454,177	3,429,998	—	105.37	81.19	—
Germany, F.R. (West)	—	23	194,214	—	1,779	17,553,492	—	77.35	90.38
Argentina	22,537	—	27,207	224,879	—	475,140	9.93	—	17.46
Total, above	45,927	42,268	221,421	2,679,056	3,431,777	18,028,632	58.33	81.19	81.42
Total, other nations	10,361	7,853	70,802	808,311	608,288	5,838,431	78.01	77.46	82.46
Total, all nations	56,288	50,121	292,223	3,487,387	4,040,065	23,867,063	61.96	80.61	81.67
Compositions for fuel									
Canada (only importer)	3,767	1,459	2,823	151,337	60,426	73,868	40.17	41.42	26.17
Coal, other, and lignite									
Australia	—	—	56,692	—	—	1,841,385	—	—	32.48
Canada	3,224	3,480	2,903	125,747	135,116	78,203	39.00	38.83	26.94
Poland	—	—	33,747	—	—	978,681	—	—	29.00
Total, above	3,224	3,480	93,342	125,747	135,116	2,898,249	39.00	38.83	31.05
Total, other nations	—	—	—	—	—	—	—	—	—
Total, all nations	3,224	3,480	93,342	125,747	135,116	2,898,249	39.00	38.83	31.05

Tracy Andrus has just about everything going for her. But it wouldn't have done her much good if she didn't have common sense. Early diagnosis and treatment helped Tracy beat cancer. It could do the same for you.

So have regular checkups and support the American Cancer Society. You can make a difference.

American Cancer Society

CANCER CAN BE BEAT

Almost 2 million people are living proof your contributions count.

This space contributed as a public service.

BEST COPY AVAILABLE

NOTE

ONLY THE FOLLOWING PAGES OF THIS PUBLICATION

HAVE BEEN FILMED

p. 1, 19.

_____

_____

_____